



Department of Medical Assistance Services  
600 East Broad Street, Suite 1300  
Richmond, Virginia 23219

<http://www.dmas.state.va.us>

# MEDICAID MEMO

TO: All providers participating in the Virginia Medical Assistance Program and FAMIS Program.

FROM: Patrick W. Finnerty, Director  
Department of Medical Assistance Services

MEMO Special

DATE 6/1/2003

SUBJECT: Prior Authorization of Non-Emergency, Outpatient MRI, PET and CAT Scans

The purpose of this memorandum is to advise you of the implementation of a new prior authorization requirement for Medicaid clients enrolled in fee-for-service or Medallion program, and FAMIS clients enrolled in the fee-for-service or PCCM program. Effective July 1, 2003, for Medicaid and August 1, 2003, for FAMIS, all non-emergency, outpatient Magnetic Resonance Imaging (MRI), Computerized Axial Tomography (CAT), and Positron Emission Tomography (PET) scans must be prior authorized in order for the scan to be reimbursed by Medicaid or FAMIS. The following outlines the process for requesting prior authorization for these services.

DMAS has contracted with WVMi to conduct the medical appropriateness reviews utilizing InterQual ISX criteria, a McKesson Health Solutions LLC product. WVMi has been the Department's Prior Authorization contractor since late 1996. The review process will be carried out telephonically by calling:

Toll Free: 1-800-299-9864 or  
Locally: 804-648-3159.

It will be the responsibility of the ordering physician to contact WVMi and to provide the necessary information and medical appropriateness criteria for the scan being ordered. If it is determined that the ordered scan is medically appropriate based on the information provided, WVMi will provide the caller with a Prior Authorization (PA) number. It will be the responsibility of the ordering physician to provide the service provider (e.g., the hospital, radiologist or outpatient medical imaging facility) with the PA number. Medicaid and FAMIS **will not** reimburse the service provider for non-emergency, outpatient MRI, CAT, or PET scans that have not been prior authorized.

If the request for prior authorization is denied, the ordering physician may request telephonic reconsideration with the Outpatient Services Supervisor at WVMU. The request for reconsideration should be made at the time of notification of denial or within one business day thereafter. The WVMU Outpatient Services Supervisor will conduct the reconsideration review, including any additional medical indications provided, and will render a decision within one business day. If the WVMU Supervisor cannot approve the request after the additional review, the request for reconsideration will be faxed to the DMAS Medical Support Unit for review by a consulting physician. This final step of reconsideration may take up to 5 business days to complete, after which time you will receive a faxed notification of the decision from WVMU. If, after following these described steps of reconsideration, the request remains denied, the ordering physician or the client, as applicable, may file a written request for an appeal within 30 days of the date of the final notification of denial to:

Director, DMAS Appeals Division  
600 E. Broad Street, Suite 1300  
Richmond, VA 23219

Upon implementation of this prior authorization process, the PA number must be included on the invoice in order for the claim to be paid. Hospitals will bill the technical component of the scan on the UB-92 with the PA number in Block 63. The servicing physician that read and interpreted the scan and signed the final report will bill for this service on the CMS-1500, with the PA number in Block 23. Free-standing medical imaging facilities may bill both components on the CMS-1500 with the PA number in Block 23 of the form. Please refer to Chapter V of your provider manual for additional billing information.

### **COPIES OF MANUALS**

DMAS publishes copies of its provider manuals and provider manual up-date transmittals on its website at [www.dmas.state.va.us](http://www.dmas.state.va.us). The provider manuals and transmittals can be viewed on and printed from the website. The transmittals describe the updated materials and manual chapters and pages revised. For a list of updates, click on "up-date transmittals" in the "Provider Manuals" column. If you do not have access to the Internet, or would like a paper copy of a manual, you can order these by contacting Commonwealth-Martin at 804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates requested.

### **"HELPLINE"**

The "HELPLINE" is available Monday through Friday from 8:30 a.m. to 4:30 p.m., except State holidays, to answer questions. The "HELPLINE" numbers are:

786-6273	Richmond area
1-800-552-8627	All other areas

Please remember that the "HELPLINE" is for provider use only.